

Funding Opportunity Announcement

Public Facility Solar Grant Program FY2023 Grant Program

Program Description: This program makes available grant funding to support the installation and

planning of solar arrays on existing public facilities and infrastructure. The term "public facilities" is used to refer to a facility site or building where the state or a local jurisdiction owns or maintains a long-term lease (greater than 15 controls the facility, and uses the facility for its official purposes. The program

implements Governor Larry Hogan's pledge of August 14, 2019

(https://governor.maryland.gov/2019/08/14/governor-hogan-launches-newpush-for-clean-and-renewable-energy/), "The state is pledging an additional \$4 million in grants to aid large public institutions, including community colleges and universities, to deploy solar arrays on existing infrastructure—such as parking lots and rooftops—while encouraging state agencies to incorporate solar energy into any future construction." Up to \$700,000 in grant funds will be available in FY 23 in three distinct Areas of Interest ("AOI"): funds for purchased systems ("AOI 1"), and funds for 3rd party-owned systems ("AOI 2").

Type of Grant Program: AOI 1 and AOI 2 Competitive – statewide with two application windows.

Application Deadline: AOI 1 and 2 - Round 1: Monday, November 13, 2022, at 5:00 p.m.

AOI 1 and 2 - Round 2: Tuesday, January 31, 2023, at 5:00 p.m.

Eligible Applicants: State Agencies, County or Municipal government entities, public universities,

community colleges or public schools may apply for grants under this program.

Eligible Activities: The installation of rooftop solar systems on existing public facilities/buildings and

> infrastructure, and/or installation of solar canopies over existing parking lots or parking garages owned or controlled by a state or local government entity. Ground mounted solar arrays are not eligible for funding under this program.

Program Budget: \$700,000 The funding is from the Strategic Energy Investment Fund ("SEIF").

Rounds 1 and 2 projects all come from the same source of funding.

Evaluation Criteria: MEA will rate each complete application received based on the value of the

project to the taxpayer, which is determined, in part, by using the Application Review Checklist. A sample of the Checklist can be found on the program website.

The primary element for evaluation is the leveraging factor (the total cost of the project divided by the total grant funds from all sources). This factor is scaled by dividing it by 5.

Additional evaluation criteria include:

- Project provides resiliency to critical infrastructure (2 points)
- Project is designed for incorporation into a resiliency plan (1 point)
- Applicant is a school or public institution of higher education institution that actively teaches solar energy courses and would instrument the solar array for educational value (1 point)
- Project can be developed and constructed within 12 months (1 point)
- Project that demonstrates to the public or to students the results/energy savings produced by the project (1 point)
 - o Example: A public internet dashboard or a publicly visible dashboard
- Solar canopy project that includes EV charging capability or is EV charger capable (1 point)

Due to the complexity of the selection process, MEA may request additional information after all applications have been submitted to facilitate the evaluation process.

MEA reserves the right to adjust project standings to obtain reasonable geographic diversity of projects or to provide a reasonable distribution of projects between differing building types across all rounds of FY 21, FY 22, and FY 23.

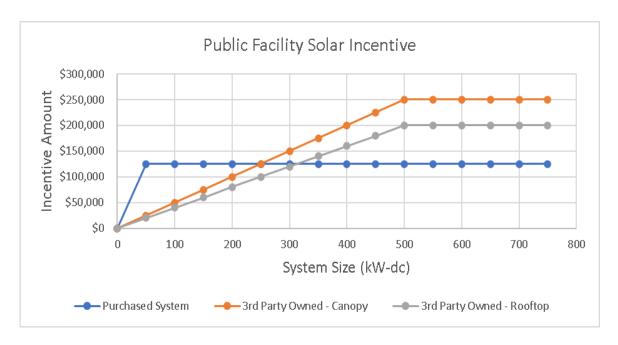
Review Process:

The MEA Program Manager will assemble a Review Team of at least 3 MEA staff members. Individuals from outside MEA may be included at the Program Manager's discretion. All Review Team members will review each complete application using the Application Review Checklist. Proposed projects will be ranked from highest to lowest. Despite the ranking, the Review Team members may still recommend against an award for a reasonable cause. Any recommendation against an award will be discussed by all team members during an in-person (or virtual) meeting. A majority vote of the team members will be required to disqualify an application for a reasonable cause. Any disqualification will be documented in the Program Manager's award recommendation memo to the Director (MEA). Recommendations for funding are subject to the amount of funding available. The review team may, at its sole discretion, recommend one or more additional projects (in priority order) for funding if funding becomes available before the end of the fiscal year. The Program Manager will make recommendations to the Director, incorporating input from the Review Team.

Award Formula:

AOI 1: For installation of a solar system purchased/owned by the grantee, up to \$2,500/kW of grant funds are available with a cap of \$125,000 per project. On a case-by-case basis, MEA may consider increasing the grant amount to \$3,000/kW with the cap remaining at \$125,000 per project when unique circumstances or a compelling reason is specified in the application.

AOI 2: For installation of a 3rd party-owned solar canopy system, up to \$500/kW of grant funds are available, with a cap of \$250,000. For installation of a 3rd party-owned rooftop system, up to \$400/kW of grant funds are available, with a cap of \$200,000. To be eligible, a system must be net metered.



Partial awards:

Partial awards may be awarded under the Program. Full grant amounts will be awarded for approved projects, based on ranking, from highest to lowest. If sufficient funds are not available to fully fund a project, the applicant will be given an option to accept partial funding, based on budget availability, for the project as originally submitted. If the applicant does not accept partial funding for the project, MEA will offer the remaining funding to the remaining approved but unfunded applicants in order of ranking (highest to lowest). MEA will follow this process until all funding has been expended, or until all remaining approved applicants have rejected the offer. If funding is still available, MEA has the discretion to explore with each applicant who has submitted an approved, but unfunded, project (by order of ranking) whether a modified project with appropriate requirements may be mutually agreeable. While MEA anticipates using the full amount of allocated funds for this program, MEA reserves the right

to obligate some, all, or none of the FY23 Public Facility Solar Grant Program budget, based on the quality and eligibility of applications submitted.

Required Application Documents: The following documents are required as part of the AOI 1/AOI 2 application package:

- 1) Completed application Workbook (Excel);
- 2) Evidence of the Site Owner's control of the project site for at least 15 years post project completion in the form of a recorded deed (or other appropriate documentation accepted by MEA);

The following additional documents should be submitted depending on the status of the procurement activities.

- 3) IRS Form W-9 for the applicant (organization designated to receive the grant funding). The applicant will always be the government entity;
- A copy of the Maryland State Department of Assessments and Taxation (SDAT)
 Certificate of Good Standing for the installer (if decided at time of application;)
- 5) If a PPA is contemplated, a copy of a signed contract or letter of intent between the Site Owner and System Owner. The letter of intent must include, at a minimum, the location and estimated capacity of the solar system,
- A copy of a signed contract or letter of intent between the Installing
 Contractor and the Site Owner (AOI 1) (Site Owner and System Owner for AOI
 2). The Letter of Intent must, at a minimum, include the location and
 estimated capacity of the solar system,
- 7) A system diagram detailing locations, dimensions, and orientations of the proposed system on the property,
- 8) A site map exhibiting the location of the system on the property (image from Google Earth/Maps © preferred, digital/print photograph is acceptable);
- 9) Evidence of project finance in the form of a financier's Letter of Commitment, or a signed letter by the proposed system owner confirming its ability to self-finance the project,
- 10) Construction schedule (assuming the Grant is signed on February 1, 2023, for Round 1, and May 1, 2023, for Round 2).
- 11) PVWATTS, PVSYST (or equivalent) document showing expected energy production,
- 12) A basic electrical schematic of the facility's electrical system (a one-line diagram is acceptable) and where/how the solar array connects to it. If part of a resiliency plan, provide a separate diagram showing potential future components of the resiliency system.
- 13) For a purchased system (AOI 1), calculate and provide the simple payback period (show your work). For 3rd party-owned systems, show the cost savings to the site owner over a 15-year period (show your work).

Submission Instructions: MEA encourages the use of electronic applications to streamline processing and reduce environmental impacts. If you cannot apply electronically, please

contact MEA no later than seven (7) days prior to the application deadline to identify an alternative method to submit the application.

The application spreadsheet and required documents should be submitted electronically to MEA via email to: **solar.mea@maryland.gov.**

Only if specifically authorized by MEA, an applicant should mail the supporting documents to:

Maryland Energy Administration
Attn: Public Facility Solar Grant Program
1800 Washington Blvd. Suite 755
Baltimore, MD 21230

Grant Program General Provisions: MEA grant programs are covered by general requirements that will be made part of the grant agreement between MEA and a grantee. A copy of the General Provisions document is available on MEA's website here; these provisions will be incorporated into each FY23 grant agreement issued by MEA.

Program-Specific Requirements:

Definitions:

- Existing Infrastructure: An existing building, parking lot or parking structure, land covered by asphalt or cement that has been in service for at least 2 years.
- Ground Mounted: A solar power system mounted to the ground on land with existing groundcover (not concrete or asphalt)
- Problem Specific: To solve a specific problem (i.e., aircraft beacon, parking lot light) where running a power line may not be the best solution.
- Public Facility: A facility site or building where the state or a local jurisdiction owns or maintains a long-term lease (greater than 15 years), and controls the facility, and uses the facility for its official purposes. Specifically included in this definition are public libraries, museums, schools, hospitals, auditoriums, sport arenas, university buildings, etc.
- Project: A clean energy conversion system or assemblage of clean energy conversion systems and related systems and installation components that operate in a coordinated manner, which may or may not be connected to a power distribution grid. Systems that affect the same electric meter in the same direction are considered to be coordinated systems.

Restrictions and Limitations:

- MEA will only provide grant funds to a grantee who is the site owner (city, county, state government entity). Each applicant will be required to attest to its compliance with Sections 14-416 and 17-303 of the State Finance and Procurement Article (as applicable).
- At least one person certified as a Solar PV Installation Professional (PVIP) by the <u>North</u>
 <u>American Board of Certified Energy Practitioners ('NABCEP')</u> must be involved in the design and/or installation of the community solar array. Each applicant will be required to provide the

- name and certification number of this individual(s).1
- The Grantee (receiving the funding) will be responsible for submitting all reporting documents, including invoices, to MEA.
- Only one MEA grant may be awarded per project.²
- Each project will be given up to two years to be completed. When necessary, an extension may be requested from MEA but must be made at least two months prior to the expiration of the existing grant. (AOI 1 and AOI 2).
- A Maryland Historical Trust review must be completed without an adverse finding before grant funding may be paid.
- Solar systems smaller than 10 kW will not be considered unless they are submitted to address a specific off-grid problem. To be considered, a justification will be required. Projects may be considered by MEA, at its sole discretion, on a case-by-case basis.
- The solar system must meet minimum system requirements as specified in IEEE 1547 and the National Electric Code.
- Each component of the solar system must be listed or labeled by a recognized national testing laboratory.

Grant Funding and Payment:

- For AOI 1 projects, Grantee may invoice up to 10% of the total award at the completion of detailed planning: and up to 65% of total award funding after ordering all major construction materials (solar panels, inverters, wiring, switchgear, connector boxes, etc.).
- Upon receipt of a grant agreement signed by both the grantee and MEA, MEA will encumber (set aside) funding for the proposed project specified in the agreement.
- Grant funding (remaining grant funding for AOI 1 projects) will be available after the project is online, producing creditable power. The Grantee will inform MEA when the project is completed (all zoning requirements met, all permit inspections passed and permits closed, all commissioning tests satisfactorily completed, and permission to operate received from the utility). MEA, at its sole discretion, will then conduct a site visit. Upon completion of the site visit, the Grantee will submit a Final Invoice and Completion Report. Upon receipt of a complete and accurate invoice and completion report, MEA will process the remaining grant funds for payment to Grantee.
- MEA reserves the right to request documentation of hours worked, receipts for materials ordered, etc. to justify funding amounts.
- For any project that is inspected by MEA, all major deficiencies (as specified by MEA) must be corrected before MEA will make grant funds available. Minor deficiencies should be addressed/corrected, but distribution of grant funds will not be delayed.

¹ An exception may be approved by MEA on a case-by-case basis for installation of a small project by a Master Electrician who holds all applicable business licenses for Maryland.

² MEA encourages grantees to consider energy efficiency in concert with a PV project. A grantee may also apply for, and receive an MEA Commercial, Industrial and Agricultural (CI&A) grant for energy efficiency or a Lawton Loan. Developers may use multiple energy efficiency or renewable energy grants from other State or Federal agencies to fund this project.

<u>Solar Renewable Energy Credits (SRECs)</u>: Except for problem specific small projects, projects must register for and receive Solar Renewable Energy Certificates (SRECs). Each grantee will be required to verify the successful registration of projects with the Maryland Public Service Commission and with PJM Interconnection. For information concerning SREC registration, consult the PJM EIS website at https://www.pjm-eis.com/.

<u>Program Changes</u>: Any update (e.g., extension of a deadline) or clarification about the Program and any corrections to inadvertent errors in the Program information will be available on the Public Facility Solar Grant Program webpage. In addition, MEA will communicate clarifications and updates made after the application deadline directly to applicants or grantees, as applicable, by letter and/or e-mail.

The final grant amount for each Grantee will be made after review of all proposals received and is subject to funding availability for the Program and any relevant statutory requirement applicable at that time.

Questions can be directed to:

David Comis, Energy Program Manager

<u>David.Comis@Maryland.gov</u>

410-537-4064 (w)

Last Modified: July 1, 2022

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